Medical Excess offers a fully insured, first dollar organ and tissue transplant carve out for self funded groups. This remarkable benefit is encompassed in an admitted stand alone policy that can attach to any plan document, regardless of the stop loss carrier. The coverage begins at patient evaluation and extends 365 days post transplant operation, and pays 100% of all covered transplant-related physician, hospital, and drug expenses when in network. A shorter benefit period is available.

Did You Know?
- As many as 40%-50% of all lasers imposed on self funded groups are due to transplant exposures.
- The average waiting time for a solid organ is over a year. As a result, transplant patients usually jump over stop loss contract years, thus becoming magnets for imposed lasers or rate increases.
- Small self-funded groups generally cannot internally fund a transplant exposure as economically or efficiently as through our carve out policy.

Benefits to the Self Funded Employer
- 100% coverage on all major transplant types from first dollar to $1 million life maximum.
- 100% coverage for NCI Phase Trials III and IV for adults, Phases I through IV for pediatrics (this is a much more liberal coverage of experimental than most plan documents allow).
- No deductibles for patients when in-network.
- Liberal expense allocations for patients traveling to distant centers of excellence.
- Benefit period covers from time of patient evaluation through 365 days post transplant, and includes hospital, physician and pharmaceutical expenses.
- Direct payment by Medical Excess to providers, no cash flow issues for the employer.
- Complete medical management and coordination of the patient with on-staff RNs.
- Contributes budget predictability and stability to stop loss rates.
Benefits to the Producer

- Many stop loss carriers give a 2% to 10% credit on the specific stop loss for the transplant carve out, based on stop loss specific deductible.
- Extensive marketing assistance afforded to the producer from Medical Excess to help sell the program.
- A group can be eligible for this coverage regardless of their stop loss carrier, as long as they meet minimum enrollment requirements.
- Direct payment by Medical Excess to providers, no cash flow issues for the employer.
- Complete medical management and coordination of the patient with on-staff RNs.
- Contributes budget predictability and stability to stop loss rates.

Which Groups Should Seriously Consider Adding this Coverage?

- Large, completely self funded groups. Many don’t want to sustain a single catastrophic hit such as Transplants and may have a high frequency issue.
- Groups over 50 lives. Help protect your future renewals while maintaining your healthcare budget and risk management philosophy.
- Groups that “have never had a transplant exposure”. The best time to buy transplant insurance is when the group is completely clean of exposures.

Value Proposition of Transplant Carve Outs

<table>
<thead>
<tr>
<th>SPEC DEDUCT.</th>
<th>EST. SL PREMIUM</th>
<th>TRANSPLANT PREMIUM</th>
</tr>
</thead>
<tbody>
<tr>
<td>250 EE’s</td>
<td>$50,000</td>
<td>$200,000</td>
</tr>
<tr>
<td>Internally funded transplant exposure</td>
<td>$16.66 pepm</td>
<td>$8.00 pepm</td>
</tr>
<tr>
<td>Probable Laser</td>
<td>$250,000</td>
<td>7% discount off ($14,000) -($24,000 minus $14,000) = $10,000</td>
</tr>
<tr>
<td>Now funded Internally at...</td>
<td>$83.33 pepm...</td>
<td>..........VS..........</td>
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</tbody>
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| Transplant occurs year 1, saves | $240,000 | (Probable Laser of $250,000) | 1 yr Premium $10,000 |
| if no transplant until year 2, saves | $230,000 | (Probable Laser of $250,000) | 2 yr Premium $20,000 |
| if no transplant until year 3, saves | $220,000 | (Probable Laser of $250,000) | 3 yr Premium $30,000 |

Number of years necessary to go without a transplant exposure for the program to be a negative financial value...25 years